

IDB Invest and Liberty Costa Rica structure largest Sustainability-Linked Bond ("SLB") for the Digital Infrastructure sector in Costa Rica

- Largest SLB issued by a telecommunication company in Costa Rica
- First SLB structured by IDB issued in the international debt capital markets in a 144A/Reg S format
- Financing to support expansion of fixed network and 4G/5G coverage to narrow the digital divide

IDB Invest has provided a US\$450 million financing package to Liberty Servicios Fijos LY, S.A. ("Liberty Costa Rica"), to increase digital access and broadband quality in Costa Rica. The Project has been financed through a US\$50 million Term Loan A funded by IDB Invest through their balance sheet and a US\$400 million Term Loan B funded through the issuance of a Sustainability-linked Bond in the international debt capital markets in accordance with Rule 144A and Regulation S under the U.S. Securities Act of 1933.

This is the largest Sustainability-Linked Bond structured for the Digital Economy sector by IDB Invest to date. The proceeds will be used to finance investments in fiber-to-the-home, increase capabilities and speeds of the HFC network, capital expenditures related to 4G/5G infrastructure, refinance certain financial obligations, working capital, and general corporate purposes.

"With this innovative structure, IDB Invest will be able to mobilize a greater number of institutional investors who, otherwise, could not participate in our deals under the A/B Loan and B Bond private placement structures." said Gema Sacristán, IDB Invest Chief Investment Officer.

IDB Invest supported Liberty Costa Rica through a technical advisory services agreement for the transaction to be labeled as a Sustainability-Linked Bond. The second-party opinion on the Sustainability-Linked Financing Framework (SLFF) was issued by Moody's ESG Solutions and the target baseline was audited by Cameron-Cole. Furthermore, additional advisory services are being provided to Liberty Costa Rica to establish a roadmap of climate change mitigation actions to meet the targets set forth within the SLFF framework and submitted for validation to Science Based Targets initiative (SBTi).

Liberty Costa Rica CFO, Maarten Hekking, commented: "With the launch of our inaugural Sustainability-Linked Bond, we are one step further on our ESG journey and have materially extended our debt maturities. This bond will help accelerate digital infrastructure development in the market and drive us forward towards creating a more sustainable future here in Costa Rica."

Citigroup (Lead-left), BofA Securities, and Scotiabank acted as Joint Bookrunners on the transaction, while Scotiabank also acted as ESG Structuring Advisor and Term Loan B / SLB Structuring Agent.

Ropes & Gray (NY and English law), and BLP (CR law) and Maples Group (Cayman law) acted as Issuer's legal counsel, Baker McKenzie (NY and English law), and Consortium Legal (CR law) and Appleby (Cayman law) as Initial Purchasers' legal counsel, and Allen & Overy (NY and English law), Consortium Legal (CR law) and BLP (CR law) as IDB Invest's legal counsel.

About Liberty Costa Rica

Liberty Costa Rica is a provider of fixed and mobile telecommunications services to residential and B2B customers in Costa Rica.

Liberty Costa Rica offers customers a comprehensive set of converged mobile, broadband, video, and fixed-line telephony services and as of September 30, 2022, it had 267,000 internet subscribers, 204,800 video subscribers, 204,800 fixed-telephony subscribers and 2,922,200 mobile subscribers.

About IDB Invest

[IDB Invest](#), a member of the IDB Group, is a multilateral development bank committed to promoting the economic development of its member countries in Latin America and the Caribbean through the private sector.

IDB Invest finances sustainable companies and projects to achieve financial results and maximize economic, social, and environmental development in the region.

With a portfolio of \$13.1 billion in asset management and 385 clients in 25 countries, IDB Invest provides innovative financial solutions and advisory services that meet the needs of its clients in a variety of industries.